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No. 98-1426

In the Supreme Court of the United States

BATJAC PRODUCTIONS INC., PETITIONER

v.

GOODTIMES HOME VIDEO CORPORATION, ET AL.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

BRIEF FOR THE FEDERAL RESPONDENT IN OPPOSITION

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QUESTION PRESENTED

Whether, pursuant to Section 7 of the Copyright Act of 1909, the owner of a copyrighted motion picture that has fallen into the public domain can continue to control the use and distribution of that motion picture because it owns the otherwise uncopyrighted and unpublished screenplay upon which the motion picture was based.

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OPINIONS BELOW

The opinion of the court of appeals (Pet. App. A1-A27) is reported at 160 F.3d 1223. The opinion of the district court (Pet. App. B1-B30) is reported at 964 F. Supp. 1416.

JURISDICTION

The judgment of the court of appeals was entered on November 5, 1998. On January 14, 1999, Justice O'Connor extended the time for filing a petition for a writ of certiorari to March 5, 1999, and the petition was filed that day. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

1. The Copyright Act of 1909 (1909 Act) (Act of Mar. 4, 1909, ch. 320, 35 Stat. 1075, codified as amended, 17 U.S.C. 1 *et seq.* (1976)), provided a dual system of state

and federal protection against the unauthorized copying, printing, sale, or adaptation of copyrightable material. With respect to unpublished works, the 1909 Act preserved state-law protection. Under Section 2 of the 1909 Act, nothing in the Act "annul[s] or limit[s] the right of the author or proprietor of an unpublished work, at common law or in equity, to prevent the copying, publication, or use of such unpublished work." 17 U.S.C. 2 (1976). Under the 1909 Act, however, state law protection for copyrightable materials ceased once those materials were published. See 1 Paul Goldstein, *Copyright* § 3.1, at 230 (1989) (Under the 1909 Act, "[s]tate common law copyright protected a work from its creation to its publication. Federal statutory copyright protected a work from the date of its publication through the expiration of its statutory term.") (footnotes omitted); see *id.* § 3.2.2, at 235-236.[1]

Instead, with respect to published works, the exclusive protection against unauthorized copying, printing, sale, or adaptation was provided by the 1909 Act itself. See 17 U.S.C. 1 (1976). To obtain statutory protection for a work under the 1909 Act, the author was (among other things) required to publish the copyrightable material together with a prescribed notice of copyright. 17 U.S.C. 10 (1976). Once that had been done, the author could "obtain registration of his claim to copyright," and the Register of Copyrights was required to issue a certificate evidencing the copyright claim. 17 U.S.C. 11 (1976). Statutory copyright protection under the 1909 Act lasted for 28 years from the

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[1] See also Staff of the Subcomm. on Patents, Trademarks and Copyrights of the Senate Comm. on the Judiciary, 86th Cong., 2d Sess., *Report on the Protection of Unpublished Works* (Comm. Print 1961).

date of first publication, and could be renewed for an additional 28 years. 17 U.S.C. 24 (1976).

The 1909 Act also addressed the creation and protection of new versions or adaptations of copyrighted materials, commonly known as derivative works. See 17 U.S.C. 1(b), 7 (1976). The 1909 Act provided that derivative works may be copyrighted, including "[c]ompilations or abridgements, adaptations, arrangements, dramatizations, [and] translations" of an original copyrighted or public domain work. 17 U.S.C. 7 (1976). And it further provided that the "publication" of such a derivative work would not affect any "subsisting copyright" on the underlying work. *Ibid.*

The Copyright Act of 1976 (1976 Act) (Act of Oct. 19, 1976, Pub. L. No. 94-553, 90 Stat. 2541, codified as amended, 17 U.S.C. 101 *et seq.*), eliminated the dual state-federal system of copyright protection effective January 1, 1978, and substituted an exclusive federal statutory scheme applicable to both published and unpublished works. See 17 U.S.C. 101 (1994 & Supp. III 1997). Because the transactions at issue in this case occurred before 1978, however, the contested legal issues are governed primarily by the 1909 Act rather than the Copyright Act of 1976.[2]

2. Petitioner owned the rights to the motion picture *McLintock!*. Pet. App. A3. Before the motion picture was released, petitioner also bought the rights to the screenplay for *McLintock!*, including the common law

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[2] The 1976 Act is not entirely without effect, however. Because petitioner claims a common law copyright in certain unpublished works, the 1976 Act converted whatever remains of that common law copyright into a statutory copyright. 17 U.S.C. 303 (1994 & Supp. III 1997). The term of that copyright depends on the lifespan of the author and on whether the work is published before the year 2002. *Ibid.*

right to control the first publication of the screenplay. *Ibid.* The motion picture was copyrighted under the 1909 Act in 1963, but petitioner failed to renew its copyright; as a result, the motion picture's copyright expired in 1991, and the movie passed into the public domain. Pet. App. A3-A4.

In 1993, respondent GoodTimes began distributing video cassettes of *McLintock!*. Three years later, in 1996, petitioner attempted to register a claim to unlimited copyright in the screenplay for *McLintock!*, but the Copyright Office refused to register the claim. All relevant copyrightable interests in the screenplay, the Copyright Office determined, had fallen into the public domain when the copyright in the motion picture of *McLintock!* expired. Pet. App. A4.

Petitioner then brought this action against GoodTimes, alleging that GoodTimes' distribution of video cassettes of the movie *McLintock!* infringed petitioner's copyright in the screenplay, and further claiming that the Copyright Office's refusal to register petitioner's copyright in the screenplay was improper. Petitioner contended that, under Section 7 of the 1909 Act, 17 U.S.C. 7 (1976), (1) the public distribution of the movie *McLintock!* did not extinguish its common law right of first publication in the screenplay; (2) the Copyright Act of 1976 subsequently transformed the common law right into a statutory copyright, see note 2, *supra*; and (3) the resulting statutory copyright in the screenplay permits petitioner to control the movie *McLintock!*, even though the motion picture itself has fallen into the public domain. The Copyright Office intervened as defendant to defend its refusal to register petitioner's copyright claim.

3. The district court granted summary judgment to the defendants, holding that petitioner's original com-

mon law right to first publication did not permit it to control the copying and use of a motion picture that had fallen into the public domain, and that the Register had thus properly refused petitioner's application to register the screenplay for copyright. The court held that the screenplay, as a component of the motion picture, had been published by the general publication of the motion picture, and that the screenplay had been protected by the motion picture's copyright. Accordingly, when the copyright on the motion picture expired and the movie fell into the public domain, the district court held, all elements of the screenplay that had been incorporated into the motion picture fell into the public domain as well. Pet. App. B20.[3]

4. The court of appeals affirmed. Pet. App. A1-A27. The court of appeals recognized that, under Section 7 of the 1909 Act, 17 U.S.C. 7 (1976), the "publication" of new, derivative works does not affect "subsisting copyrights" in underlying works. However, it concluded that the phrase "subsisting copyrights" refers to statutory copyrights only and not (as petitioner contends here) to so-called common law copyrights. Pet. App. A13. The term "copyright," the court of appeals explained, is used throughout the 1909 Act and in numerous instances can only be understood to mean statutory copyright. By contrast, the 1909 Act does not use the term "copyright" when referring to the common law right of first publication. Because Congress had

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[3] The district court's judgment also resolved a related, consolidated case, *Maljack* v. *UAV*, No. 96-CV-749 (C.D. Cal.). Petitioner had assigned distribution rights in a pan-and-scan version of the motion picture *McLintock!* to Maljack. Defendant UAV distributed the pan-and-scan version. The district court upheld Maljack's claim of infringement. No review of that portion of the district court's judgment was sought.

repeatedly used the term "copyright" to mean statutory copyright elsewhere in the statute, and nowhere in the statute had used the term "copyright" to refer to common law rights of first publication, the court of appeals concluded that Congress very likely used the term "copyright" to mean statutory copyright in Section 7 as well. Pet. App. A13.

The court of appeals further noted that its conclusion was supported by the Copyright Office's longstanding construction of Section 7. Federal courts, the court of appeals explained, should defer to an agency's reasonable construction of the statute entrusted to it for administration. Pet. App. A15-A16.

Finally, the court of appeals concluded that this Court's decision in *Stewart* v. *Abend*, 495 U.S. 207, 233 (1990), does not support petitioner's contentions. *Abend* did not turn upon the difference between statutory copyright and common law copyright; nor did that distinction receive any attention in *Abend*. Although petitioner sought to rely on an isolated clause in a single sentence of that opinion, the court of appeals held that the clause from *Abend* was not intended to decide the distinct issue presented in this case. Pet. App. A17-A22.

ARGUMENT

Petitioner challenges the court of appeals' construction of Section 7 of the Copyright Act of 1909, 17 U.S.C. 7 (1976). Because the court of appeals' decision is correct, consistent with the decisions of every court of appeals that has addressed the issue, and consistent with the decisions of this Court, further review is not warranted.

1. Petitioner does not dispute that, under the Copyright Act of 1909, the publication of an original work

extinguishes all state and common law rights to that work, and that the only protection available for such a published work is that provided by the federal copyright statute itself. See 1 Paul Goldstein, *Copyright* § 3.1, at 230, § 3.2.2, at 235-236 (1989). Likewise petitioner does not dispute that, under ordinary circumstances, a work passes into the public domain once the federal statutory copyright expires, divesting the owner of its ability to control copying, sale, and distribution. *Id.* § 3.1, at 230. Finally, petitioner does not appear to dispute the general applicability of those principles to this case. Thus, petitioner does not deny that its common law rights in the movie *McLintock!* were extinguished when that film was published in 1963; and it does not dispute that its statutory copyright in that film expired, and the film passed into the public domain, in 1991.

Nonetheless, relying on the language of Section 7 of the 1909 Act, 17 U.S.C. 7 (1976), petitioner claims that it retains the right to control the copying and distribution of the movie *McLintock!* by virtue of its supposed rights in the unpublished screenplay for *McLintock!*; and it seeks to register and enforce a copyright in that unpublished screenplay to secure control over the copying and distribution of the *McLintock!* movie. The district court and court of appeals correctly rejected that implausible claim—which would effectively extend the very rights in the motion picture that had expired under the terms of the statute when the copyright in the motion picture expired.

In relevant part, Section 7 of the 1909 Act provides that derivative works can be copyrighted independently of and separately from the original work from which they are derived. See 17 U.S.C. 7 (1976) ("Compilations or abridgements, adaptations, arrangements,

dramatizations, translations, or other versions of works in the public domain or of copyrighted works when produced with the consent of the proprietor * * * shall be regarded as new works subject to copyright under the provisions of this title."). And it further provides that "the publication" of such derivative works "shall not affect the force or validity of any subsisting copyright upon the matter employed or any part thereof, or be construed to imply an exclusive right to such use of the original works, or to secure or extend copyright in such original works." 17 U.S.C. 7 (1976).

Thus, under Section 7 of the 1909 Act, a movie based on a book that has been copyrighted may also be copyrighted, and the fact that the book falls into the public domain and can be copied does not mean that the movie can be copied as well. Conversely, the publication and copyrighting of the motion picture cannot extend the statutory copyright of the book upon which the movie is based. And finally, the publication of the motion picture may not defeat the book's copyright either, such as might otherwise occur if the movie were published without the required copyright notice. Simply put, the publication and copyrighting of a derivative work has no effect on the copyright protection afforded to the underlying work on which the derivative work was based.

Petitioner, however, reads Section 7 as preserving not only statutory copyrights, but so-called "common law" copyrights, *i.e.*, the state law protection afforded to unpublished works, as well. Petitioner thus asserts that, under Section 7, the publication of the movie *McLintock!* had no effect on its "common law" copyright in the unpublished screenplay for *McLintock!*, because the screenplay itself was not published. Furthermore, petitioner claims that (even though its statu-

tory copyright in the movie *McLintock!* has expired) its rights in the screenplay for *McLintock!* give it the right to control the movie *McLintock!*, since the movie incorporates protected elements from the screenplay.[4] The district court and court of appeals properly rejected that argument.

a. As an initial matter, Section 7's express preservation of "subsisting copyrights" is best read as applying only to statutory copyrights, and not to so-called common law copyrights. As the court of appeals explained, the term "copyright" refers to statutory copyright, not common law copyrights, throughout the 1909 Act. See Pet. App. A12. As a result, "under [petitioner's] reading, the term 'copyright' would refer to 'common law copyright' essentially only under § 7—a rather convenient but dubious interpretation." Pet. App. A12. Indeed, even within Section 7, both just before and just after the phrase "subsisting copyrights," the term "copyright" is used to mean statutory copyright. The immediately preceding use of the term "copyright" in Section 7 refers to "copyright under the provisions of this title," *i.e.*, a statutory copyright. And the immediately succeeding use of "copyright" in Section 7 must mean statutory copyright as well, since it refers to "secur[ing]" or "extend[ing]" the term of a copyright. It would make little sense to speak of "securing" or "extending" a common law copyright, since common law copyrights arise by themselves (upon the creation of the work), and (barring publication) are perpetual. It is a standard "rule of statutory construction that identical

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[4] Because the 1976 Act converts all existing common law copyrights into federal statutory copyrights, see note 2, *supra*, petitioner also claims that it now has a statutory copyright in the unpublished screenplay for *McLintock!*

words used in different parts of the same act are intended to have the same meaning." *Sullivan* v. *Stroop*, 496 U.S. 478, 484 (1990) (quoting *Sorenson* v. *Secretary of Treasury*, 475 U.S. 851, 860 (1986) (in turn quoting *Helvering* v. *Stockholms Enskilda Bank*, 293 U.S. 84, 87 (1934) (in turn quoting *Atlantic Cleaners & Dryers, Inc.* v. *United States*, 286 U.S. 427, 433 (1932)))) (internal quotation marks omitted). That rule has special force where, as here, identical words are used in the same sentence.

Moreover, where the 1909 Act does address so-called common law copyrights—in Section 2, 17 U.S.C. 2 (1976), which preserves state common law rights in unpublished works—it does not use the term "copyright" or even "common law copyright." Instead, it refers to "the right of the author or proprietor of an unpublished work, at common law or in equity, to prevent the copying, publication, or use of such unpublished work without his consent." *Ibid.* The fact that Congress elsewhere in the statute addressed common law copyrights and did not refer to them as "copyrights" at all makes it especially unlikely that it meant to include common law copyrights when it referred to copyrights in Section 7.[5]

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[5] Petitioner's response—that this construction of Section 7 has the effect of inserting the word "statutory" before the word "copyright," Pet. 9—is unpersuasive. The question here is whether the term "copyright" refers to statutory copyright alone, or whether it refers to common law and statutory copyrights alike. The facts that the term "copyright" necessarily means statutory copyright alone throughout the 1909 Act (and within other phrases in Section 7), and that the 1909 Act used different language to convey the concept of common law copyrights (as in Section 2), make it singularly unlikely that Congress meant the phrase "subsisting copyrights" in Section 7 to include common law copyrights. In

b. Petitioner's contention that the phrase "subsisting copyright" means "subsisting statutory or common law copyright" also flies in the face of Section 7's subject matter. By its terms, Section 7 addresses the scope of protection given to works that, like "compilations or abridgments, adaptations, arrangements * * * or other versions," are derived from *either* (1) "works in the public domain" or (2) "copyrighted works." 17 U.S.C. 7 (1976). Nowhere does it purport to address the protection of works that are derived *not* from public domain works, *nor* from copyrighted works, but rather from unpublished works that otherwise would be protected only by state law.[6] By seeking to apply Section 7 to such unpublished (non-copyrighted and non-public domain) materials, petitioner would extend Section 7 beyond its express textual scope.

Contrary to petitioner's contentions, protection for works that are derived not from copyrighted or public domain materials, but rather from previously unpublished material, is the subject matter of Section 3, not Section 7. In particular, Section 3 specifies that "[t]he copyright provided by this title shall protect all the *copyrightable* component parts of the work copyrighted." 17 U.S.C. 3 (1976) (emphasis added). Under

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these circumstances, it is petitioner who would have the courts insert the words "statutory or common law" before the word "copyright" in the statute.

[6] Petitioner does not contend that the phrase "copyrighted works" means works protected by a so-called common law copyright. Nor could it: The use of "copyright" as a verb would not make sense in the context of common law copyrights, as common law copyrights are not obtained through particularized undertakings or conferral—there is no act of "copyrighting" the work—but instead arise automatically upon the creation of the unpublished work.

petitioner's construction of Section 7, however, Section 3 would be largely surplusage. Common law copyright would always attach (under Section 2) upon the work's creation, and the published version would be protected under Section 7 as a derivative work of the original, unpublished creation. It is, of course, inappropriate to construe one provision of a statute so as to render another superfluous. See *Moskal* v. *United States*, 498 U.S. 103, 109-110 (1990).

c. Petitioner's construction of Section 7, moreover, would lead to incongruous results. Virtually every copyrighted work is based on a previously unpublished draft or version. If petitioner were correct that Section 7 protects common law rights in the initial, unpublished draft despite the publication and copyrighting of a later version incorporating all of the protectible elements contained in the earlier draft, then authors under the 1909 Act presumably would have had (until the 1976 revisions) the perpetual ability to control the use of published materials: They could rely on the perpetual common law protection accorded to the unpublished, prior draft to control copying of the later, published and copyrighted version, even after the published version's copyright had expired and it had fallen into the public domain. Indeed, it is precisely such an extension of the statutory copyright period that petitioner seeks to obtain here. Petitioner is attempting to control the distribution of *McLintock!* the movie even though that film passed into the public domain long ago. It is singularly unlikely that Congress would have built into the 1909 Act such a facile way of evading the express rule that copyrights have a term of just 28 years (plus 28 more upon renewal) provided by Section 24, 17 U.S.C. 24 (1976). "In other words, the act cannot be held to destroy itself." *AT&T* v. *Central Office Tel.*,

Inc., 118 S. Ct. 1956, 1965 (1998) (quoting *Texas & Pac. Ry.* v. *Abilene Cotton Oil Co.*, 204 U.S. 426, 446 (1907)).

Petitioner's construction of Section 7 is made no more likely by the 1976 Act's treatment of common law copyrights. Compare Pet. 26-27. Under the 1976 Act, any common law copyright in existence as of 1978 is transformed into a statutory copyright of a specified duration. See note 2, *supra*. Under petitioner's construction, any work published under the 1909 Act and which is now thought to be in the public domain would suddenly be the subject of a statutory copyright, so long as the author or owner can find an earlier unpublished draft from which the published draft was derived. There is no reason to believe that Congress intended so many expectations concerning public domain materials to be overturned.

d. Finally, even if the term "subsisting copyright" in Section 7 of the 1909 Act were sufficiently ambiguous to support petitioner's as well as the Copyright Office's construction, the court of appeals properly deferred to the Copyright Office's longstanding view. Under the Copyright Office's regulations, the publication of a motion picture has the effect of publishing—and thus eliminating common law copyright protection for—all copyrightable components of the underlying screenplay incorporated into the movie. The Copyright Office's regulations explain that rule in the context of motion picture soundtracks: "[Any] copyrightable component part of a motion picture soundtrack * * * is considered an integral part of a motion picture." 37 C.F.R. 202.15 (1975). And the Register's Compendium II (which governs Copyright Office practices under the 1976 Act) makes it clear that the same rule applies to screenplay components incorporated into published motion pictures:

> Where a preexisting unpublished screenplay is embodied in a motion picture, those elements of the screenplay disclosed in the motion picture are considered to be published at the same time the motion picture is published.

Compendium II: Compendium of Copyright Office Practices 910-04 (1984).

The Register's construction of the Copyright Act provisions she administers is entitled to deference and must be upheld so long as it is reasonable. See *Chevron U.S.A. Inc.* v. *Natural Resources Defense Council, Inc.*, 467 U.S. 837, 843 (1984). See also *Mazer* v. *Stein*, 347 U.S. 201, 212-213 (1954); *Washingtonian Publ'g Co.* v. *Pearson*, 306 U.S. 30, 41 n.4 (1939); see Pet. App. A16. Because petitioner offers no persuasive reason to believe that the statute precludes the Copyright Office's construction—a particularly difficult burden given that two courts of appeals and the copyright treatises have interpreted Section 7 of the 1909 Act the same way, see pp. 15-16, *infra*—the Ninth Circuit properly declined to overturn it.[7]

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[7] Petitioner does assert (Pet. 29) that deference to the Copyright Office is appropriate only in the context of an action for judicial review, and is not appropriate in the context of an infringement action like this one. But this case is not solely an infringement action; the Register has intervened as a defendant to defend her decision, which petitioner challenged in its complaint. In any event, the cases petitioner cites do not support petitioner's position. *Carol Barnhart Inc.* v. *Economy Cover Corp.*, 773 F.2d 411, 414 (2d Cir. 1985), does state that the district court there was well situated to "consider how the copyright law applies to the articles under consideration." But it nowhere suggests that district courts may disregard the Copyright Office's settled construction of the statute entrusted to it for administration; nor does *Barnhart* distinguish between the standards applicable in infringement

2. Petitioner does not contend that there is a division of appellate authority concerning the proper construction of Section 7 of the 1909 Act. Nor could it. The only other court of appeals that has addressed the construction of Section 7 in this context—the Second Circuit—resolved the issue precisely as the Ninth Circuit did here. *Shoptalk, Ltd.* v. *Concorde-New Horizons Corp.*, 168 F.3d 586 (2d Cir. 1999). Characterizing the Ninth Circuit's decision in this case as "persuasive and consonant with the principles approved in our prior cases," the Second Circuit joined the Ninth Circuit in holding that "if a previously unpublished screenplay is embodied in a motion picture, so much of the screenplay as is disclosed in the motion picture is published when the motion picture is published." *Id.* at 592.

The decisions of the Second and Ninth Circuits, moreover, are consistent with the decisions of other appellate courts which, although not addressing the construction of Section 7 of the 1909 Act directly, likewise conclude that works that have fallen into the public domain cannot be controlled on the basis of preexisting common law rights. See, *e.g.*, *Classic Film*

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actions and actions for judicial review. Likewise, although *OddzOn Products, Inc.* v. *Oman*, 924 F.2d 346, 348 (D.C. Cir. 1991), suggests that the Register's application of law to fact might not be entitled to deference in the context of infringement actions, it nowhere suggests that courts may disregard the Copyright Office's longstanding and reasonable constructions of the copyright statutes. Nor would such a distinction make sense: The rationale for deferring to the Copyright Office's construction of the copyright statutes—the Office's expertise and experience in administering them—does not evaporate merely because the challenge arises in the context of an infringement action. And the same law cannot mean two different things depending on the type of action in which it is being applied. Cf. *United States* v. *Haggar Apparel Co.*, No. 97-2044 (Apr. 21, 1999), slip op. 6.

Museum, Inc. v. *Warner Bros., Inc.*, 597 F.2d 13 (1st Cir. 1979) (common law rights to the otherwise unpublished screenplay to a motion picture that has fallen into the public domain do not confer control over the public domain material); *Harris Custom Builders, Inc.* v. *Hoffmeyer*, 92 F.3d 517 (7th Cir. 1996) (owner of unpublished blueprints cannot control use of so much of the blueprints as were published when abbreviated drawings were publicly disseminated), cert. denied, 519 U.S. 1114 (1997). And they are consistent with the copyright treatises, which have arrived at the same conclusion as well. See 1 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 4.12[A], at 4-60 (1997) (publication of work based on unpublished material has the effect of publishing, and thus divests common law protection for, any elements of the unpublished material incorporated into the published work); 1 Goldstein, *supra*, § 3.2.2.1, at 241-242 (same).[8]

Petitioner, however, contends that the court of appeals' decision here (like the Second Circuit's decision in *Shoptalk*) conflicts with an isolated clause from this

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[8] Petitioner's attempt to suggest uncertainty by relying on three allegedly contrary district court cases—see Pet. 19-20 (citing *Shoptalk, Ltd.* v. *Concorde-New Horizons Corp.*, 897 F. Supp. 144 (S.D.N.Y. 1995), *Cordon Art B.V.* v. *Walker*, 40 U.S.P.Q.2d 1506 (S.D. Cal. 1996), and *Jim Henson Prods., Inc.* v. *John T. Brady & Assocs.*, 867 F. Supp. 175 (S.D.N.Y. 1994)—is wide of the mark. All of those cases arose in districts within the Second Circuit or the Ninth Circuit, and thus, to the extent inconsistent, have been superseded by *Shoptalk*, 168 F.3d 586, and the decision in this case. For similar reasons, petitioner's extensive citation of pre-*Shoptalk* decisions in the Second Circuit (Pet. 15 (citing *Gilliam* v. *American Broad. Co.*, 538 F.2d 14 (1976)); see also Pet. 20 n.11), adds no weight to petitioner's claim. After this decision and *Shoptalk*, the law of the Second Circuit is precisely aligned with that of the Ninth. See Pet. 21.

Court's decision in *Stewart* v. *Abend*, 495 U.S. 207, 233 (1990). In particular, petitioner points out (Pet. 10-11) that, in *Abend*, the Court stated that the "force or validity" clause of Section 7 of the 1909 Act was intended "to ensure that the publication of a 'new compiled work' without proper notice, including smaller portions that had not been previously published and separately copyrighted, would not result in those sections moving into the public domain." 495 U.S. at 233. Petitioner construes that statement as, in effect, holding that Section 7 of the 1909 Act preserves common law, as well as statutory, copyrights in an underlying work when a derivative work is published.

Petitioner is mistaken. As an initial matter, the question presented in *Abend* had nothing to do with the status of common law copyrights under Section 7; instead, *Abend* concerned a contest between two holders of *statutory* copyrights.[9] The language on which petitioner relies thus hardly rises to the level of a holding. In any event, the language from *Abend* need not and should not be construed in the manner in which peti-

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[9] In *Abend*, the author of a copyrighted short story licensed a group of moviemakers to make the motion picture *Rear Window* based on his short story. The author agreed to renew the copyright at the appropriate time and to grant the moviemakers an additional license for the duration of the renewal period. The moviemakers subsequently made and copyrighted the motion picture *Rear Window* based on the short story. Although the author of the short story died before he could renew the copyright, the author's executors did renew the statutory copyright; they, however, refused to grant a license to the owners of *Rear Window* as the author had agreed. The question in *Abend* was whether the moviemakers "infringed the rights of the successor owner of the [short story] by continued distribution and publication of [*Rear Window*] during the renewal term of [the short story]." 495 U.S. at 211.

tioner proposes. Petitioner, in essence, reads the quoted material from *Abend* as declaring that, under Section 7, "publication of a 'new compiled work' without proper notice, including smaller portions that had not been previously published and separately copyrighted, would not result in those [smaller and previously unpublished] sections moving into the public domain." Read in context, however, the quoted materials do not warrant that construction.

To the contrary, in our view, the quoted language from *Abend* means that, under Section 7, the "[p]ublication of a 'new compiled work' without proper notice, [which may] includ[e] smaller portions that had not been previously published and separately copyrighted [as well as sections that are copyrighted], would not result in those sections [that are copyrighted] moving into the public domain." Although that construction may not be immediately obvious when the passage is read out of context, we believe it fairly supportable when read in context, for three reasons. First, petitioner's contrary construction would render the reference to previously unpublished works wholly unnecessary both to the issue in the case and to the precise point being discussed in that passage; we think it unlikely that the Court would have attempted to address Section 7's applicability to common law copyrights unnecessarily and in passing, without reference to or reliance on principles of statutory construction.[10]

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[10] The clause upon which petitioner relies is part of the Court's explanation as to why Congress altered the language of Section 7 before adopting the 1909 Act. As originally proposed, Section 7 declared that no "*copyright* [in the derivative work] shall * * * affect the force or validity of any subsisting copyright upon the matter employed or any part thereof"; it was later changed to declare that no "*publication*" of a derivative work shall "affect the

Second, the law review note the *Abend* decision cites as support for the passage in question, and which the passage appears to paraphrase, see 495 U.S. at 233 (citing Estie Stoll, Note, *Derivative Copyright and the 1909 Act—New Clarity or Confusion*, 44 Brook. L. Rev. 905, 919-921 (1978)), has precisely the meaning we suggest, and neither it nor the materials it cites support petitioner's contrary reading.[11] The contention that the

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force or validity of any subsisting copyright upon the matter employed or any part thereof." The dissent in *Abend* argued that the change from "copyright" to "publication" signaled Congress's intention to *permit* the copyrighting of a derivative work to affect the force and validity of the copyright in the underlying work from which the new work was derived. Rejecting that argument, the majority declared that the change was meant to clarify that both *copyrighting* and the lesser act of *publication* (a necessary step to copyrighting) would not affect the validity of the copyright in the underlying work. Since the Court's conclusion was that the change from "copyright" to "publication" was made to ensure that "publication alone" would not "affect[] the force or validity of the copyright in the pre-existing work," 495 U.S. at 233, any reference to the effect of publication on common law copyrights would be entirely superfluous, having no relationship to the inference the dissent drew from the change from "copyright" to "publication," or to the majority's explanation for that change. Accordingly, we believe that the reference in *Abend* to works "not previously published or separately copyrighted" merely describes the kind of *compilation* in which Section 7 would be relevant, and does not mean to set forth a doctrine about what kind of works within such compilations are protected by Section 7.

[11] The Brooklyn Law Review Note explains that the language change in Section 7 (see note 10, *supra*) was based on a concern "with a particular class of derivative work, namely, a 'new compiled work,' such as an anthology, made up of smaller selections that might or might not have been previously published and separately copyrighted. * * * Since each publication of a copyrighted work [*i.e.*, a statutorily copyrighted work] must bear the requisite notice, a 'compiled work' published with incorrect

Court (in a case not involving common law copyrights) declared that Section 7 protects such common law copyrights, without further analysis and while citing such non-supportive (indeed contrary[12]) authority as its only support, is in our view unpersuasive.

Third, *Abend*'s discussion of Section 7 repeatedly indicates that Section 7 and the Court's discussion of Section 7 are focused on the preservation of subsisting statutory (as opposed to common law) copyrights. Thus, construing Section 7 as consistent with Section 3, the Court stated:

> [Section] 3 provides that one can obtain copyright in a work where parts of the work are already copyrighted. For example, one could obtain a copyright in an opera even though three of the songs to be used were already copyrighted. *This, and only this, is what is meant in [Section] 7* when it states that '[c]ompilations or abridgements, adaptations * * * or other versions of works . . . or works republished with new matter shall be regarded as *new works* subject to copyright * * *.
>
> More important, however, is that under the express language of [Section] 3, one obtains a copyright on the entire work, but the parts previously

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copyright notice or with none at all might have affected otherwise valid copyrights in the component selections. * * * [The intent of Section 7] apparently [was] to protect the underlying work's copyright from any possible assault by the newly sanctioned derivative copyright." 44 Brook. L. Rev. at 919-920.

[12] See Pet. App. B17 (pointing out that the law review Note cited by the Court in *Abend* undercuts petitioner's construction of the passage because it "posit[s] that Congress' true intent in creating section 7 was to" ensure that "copyright protection exist only for a limited duration").

> copyrighted get copyright protection only according to the "duration or scope" of the already existing copyright.

495 U.S. at 234 (emphasis added in part); see also *id.* at 235 (similar discussion). Given the serious reasons to doubt petitioner's construction of the *Abend* language on which it relies, the Ninth Circuit (like the Second Circuit after it) did not err in refusing to treat petitioner's construction of that ambiguous and isolated clause as a binding direction from this Court.

CONCLUSION

For the foregoing reasons, the petition should be denied.

Respectfully submitted.

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